

Makro, PayJustNow partnership enables BNPL in-store payments

South African and Massmart owned retailer, Makro has partnered with PayJustNow to enable Buy Now, Pay Later (BNPL) in-store payments for customers ahead of the peak shopping season. This extends PayJustNow's growing in-store and online footprint of over 2500 retail brands, including Game, PnP Clothing, and Samsung.



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Varsha Dayaram, senior vice president for group financial services at Massmart, says the introduction of PayJustNow as an in-store payment option at Makro comes at a critical time for a consumer market that is feeling the effects of slow economic growth and inflationary pressures.

"Shoppers are increasingly seeking convenient, cost-effective payment options to ease some of the financial pressures brought by a challenging market environment. With the introduction of PayJustNow in-store, we are bringing greater convenience to our shoppers, enabling us to help our customers save money on the products that they need, so they can live better."

Makro's partnership with PayJustNow will allow consumers to use BNPL to pay for their must-have and big-ticket items at all of the retailer's 22 warehouse stores across the country, from electronics, large appliances, furniture and outdoor items to homeware and entertaining.

Consumers can simply choose PayJustNow at checkout to split their payments into three equal, interest-free monthly charges, removing some of the cash-flow pressure of making larger purchases.



PayJustNow's CEO on the benefits of 'buy now pay later' for consumers and businesses

Lauren Hartzenberg 6 Jun 2023



Craig Newborn, CEO at PayJustNow, says: "As we approach the peak Black Friday, Cyber Monday and festive season shopping periods, the flexibility offered by BNPL allows retailers like Makro to grow their customer base and deliver a superior customer experience that can drive higher levels of customer loyalty."

Black Friday has become an essential sales period for South African retailers, with one study estimating an additional R26,6bn in retail turnover directly attributable to Black Friday in 2023. However, this is a significant drop from the R42bn in additional sales recording during 2021's Black Friday.

Newborn says BNPL is an invaluable tool for retailers seeking greater sales volumes and enabling responsible payment options for customers.

"It brings significant benefits to consumers who gain access to a financially-responsible credit-alternative payment option that allows them to purchase must-have items without incurring costly interest-rate payments."

South African consumers have adopted BNPL at a rapid rate, with PayJustNow growing its customer base at 'a stadium-full per month' to over 1 million by the end of August 2023, from 649,000 at the end of 2022.

According to Newborn, BNPL is increasingly used by financially-secure shoppers to boost their buying power and ease cash flow pressures.

"Critically, the BNPL model also rewards good financial behaviour, as consumers have to pay off one purchase before they can make another. This ensures responsible financial behaviour while also allowing non-credit card users to build up a credit history in a low risk way."

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